Form C-141

<u>District I</u> 1625 N. French Dr., Hobbs, NM 88240 District II 1301 W. Grand Avenue, Artesia, NM 88210 District III 1000 Rio Brazon Road, Aztoc, NM 87410

Date: 11-01-05

Attach Additional Sheets If Necessary

Phone: 748-4181

State of New Mexico Energy Minerals and Natural Resources

Oil Conservation Division 1220 South St. Francis Dr.

Revised October 10, 2003 Submit 2 Copies to appropriate District Office in accordance with Rule 116 on back

District IV 1220 S. St. Prancis Dr., Santa Fc, NM 87505 side of form Santa Fe, NM 87505 30-015-25665 Release Notification and Corrective Action n MLB 0530855797 M Initial Report **OPERATOR** Final Report Name of Company Yates Petroleum Corp. Address 105 S. 4th St., Artesia NM 88210 25561 Contact Dan Dolen Telephone No. 748-4181 Facility Name Compromise #1 SWD Facility Type SWD Surface Owner State Mineral Owner State Lease No. LOCATION OF RELEASE Unit Letter Section Feet from the Township Rango North/South Line Feet from the Last/West Line County 30 Eddy 18S 27E Latitude Longitude NATURE OF RELEASE Type of Release Produced Water Volume of Release 1500bbl Volume Recovered 1300bbl Source of Release Hole in flow line Date and Hour of Occurrence | U-Date and Hour of Discovery 10-24-05. 24-05, 0700 0700 Was immediate Notice Given? If YES, To Whom? ☑ Yes □ No □ Not Mike Bratcher, Artesia OCD Required By Whom? Dan Dolan Date and Hour 10-24-05, 1330hrs Was a Watercourse Resched? If YES, Volume Impacting the Watercourse, ☐ Yes Ø No If a Watercourse was impacted. Describe Fully.* Describe Cause of Problem and Remedial Action Taken.* Hole in flow line from battery to wellhead, Repaired. Describe Area Affected and Cleanup Action Taken.* Area was 450ftX100ft, water was picked up by vacuum truck, initial testing was made for TPH and Cholides, ranking for this area, depth to ground water-20, wellhead protection area-0 distance to surface water-0 I hereby certify that the information given above is true and complete to the best of my knowledge and understand that pursuant to NMOCD rules and regulations all operators are required to report and/or file certain release notifications and perform corrective actions for releases which may endanger public health or the environment. The acceptance of a C-141 report by the NMOCD marked as "Final Report" does not relieve the operator of liability should their operations have failed to adequately investigate and remediate contamination that pose a threat to ground water, surface water, human health or the environment. In addition, NACCD acceptance of a C-141 report does not relieve the operator of responsibility for compliance with any other federal, state, or local laws and/or magnistions. OIL CONSERVATION DIVISION TIM GUM Approved by District Supervisor. by MB Mo Lamor Printed Name: Dan Dolan Title: Environmental Regulatory Agent Approval Dute: Expiration Date: ALA E-mail Address: ddolan@ypcnm.com Conditions of Approval: **Attached**



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON
Governor
Joanna Prukop

Cabinet Secretary

Mark E. Fesmire, P.E.
Director
Oil Conservation Division

Yates Petroleum Corporation 105 S. 4th St. Artesia, NM 88210 November 4, 2005

Re: Compromise SWD 001

H-30-18s-27e

API: 30-015-25665

The New Mexico Oil Conservation Division District II Office (NMOCD) is in receipt of an Initial Report C-141 reporting a produced fluids release that occurred on 10/24/2005 at or near the above referenced well site.

Please submit a Corrective Action Work Plan to this office for correction/remediation of this release. Please use the "Guidelines For Remediation of Leaks, Spills, and Releases" as your guide.

This document may be found on the NMOCD web site: www.emnrd.state.nm.us/ocd, under Publications/Environmental Handbook/Miscellaneous Guidelines/Spill Prevention Clean up.

The work plan presented to the NMOCD must include general site characteristics, site ranking score, soil remediation action levels, soil remediation methods, and planned analytical testing for TPH, B-TEX, Chlorides or any other CoCs as applicable.

A Final Report Form C-141 is required to be submitted upon satisfactory completion of project, and must include a report of remediation actions taken with final confirmation sample analysis results attached.

Like approval by BLM required if applicable.

Please have the requested work plan in the Artesia office on or before December 2, 2005. The NMOCD District II Office must be notified 24 hours prior to commencement of remediation actions and 24 hours prior to samples being obtained where analysis of such samples are to be submitted to the NMOCD.

In the event that a satisfactory response is not received to this letter further enforcement will occur. Such enforcement may include this office applying to the Division for an order summoning you to a hearing before a Division Examiner in Santa Fe. Such a hearing may result in imposition of CIVIL PENALTIES for your violation of NMOCD rules.

If I can be of assistance in this matter, my contact information is listed below.

Sincerely.

Mike Bratcher NMOCD District 2

1301 W. Grand Ave.

Artesia, NM 88210 (505) 748-1283 Ext. 108

(505) 626-0857

mbratcher@state.nm.com

NMOCD Incident Number: nMLB0530855797